Physician Recruitment Agency of Saskatchewan

2012-13 ANNUAL REPORT

Mission

Our mission is to promote and support an environment that attracts and retains the physicians Saskatchewan requires. We do this by:

- Coordinating and supporting organizations that recruit physicians;
- Serving as a point of contact for physicians seeking recruitment;
- Creating a more efficient recruitment environment that lessens competition among recruiting organizations;
- Collaborating with regional health authorities, communities, physicians and medical graduates to develop sustainable recruitment and retention in the province;
- Promoting and supporting effective policies; and
- Helping Saskatchewan medical graduates pursue careers in the province.

Vision

We put patients first by making Saskatchewan a preferred choice for physicians.

This vision encompasses several ideals:

- An appropriate supply, mix and distribution of physicians to ensure a stable professional community;
- A sustainable recruitment and retention model that is effective, collaborative and easily accessed; and
- Saskatchewan medical graduates pursuing their careers in the province.

Values

Our primary values are Collaboration, Integrity and Putting Patients First.

Collaboration means engaging physicians, health regions, communities and medical graduates in an open and supportive environment.

Integrity means encouraging and practicing the highest standards of professional and ethical behaviour.

Putting patients first means measuring our success by our impact on the health care of Saskatchewan people.

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This annual report is also available in electronic format from the Agency's website at www.saskdocs.ca

Letters of Transmittal

Her Honour, the Honourable Vaughn Solomon Schofield,

Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Physician Recruitment Agency of Saskatchewan for the fiscal year ending March 31, 2013.

Honourable Dustin Duncan

Minister of Health

The Honourable Dustin Duncan

Minister of Health

I have the honour of submitting the Annual Report of the Physician Recruitment Agency of Saskatchewan for the fiscal year ending March 31, 2013.

Max Hendricks

Associate Deputy Minister (Health) and Board Chair

Introduction

This annual report for the Physician Recruitment Agency of Saskatchewan (saskdocs) reports on activities and outcomes for the fiscal year ending March 31, 2013. The document reports to the public and elected officials on the public commitments and key accomplishments of saskdocs.

Although a renewed vision in the Saskatchewan Plan for Growth – Vision 2020 and Beyond was introduced in October 2012, the 2012-13 Annual Report will be presented in relation to the vision and goals that guided the development of the 2012-13 Plan.

Results are provided on publicly committed strategies, actions and performance measures identified in the 2012-13 Plan.

The report also demonstrates progress made on Government commitments as stated in the Government Direction for 2012-13: Keeping the Saskatchewan Advantage, the Minister's Mandate letter, throne speeches and other commitments and activities of the Agency.

The annual report demonstrates the Agency's commitment to effective public performance reporting, transparency and accountability to the public.

Alignment with Government's Direction

The Agency's activities in 2012-13 align with the Government's vision and four goals.

Our Government's Vision

A strong and growing Saskatchewan, the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life.

Government's Goals

- Sustaining growth and opportunities for Saskatchewan people.
- Improving our quality of life.
- Making life affordable.
- Delivering responsive and responsible government.

Together, all ministries and agencies support the achievement of the Government's goals and work towards a secure and prosperous Saskatchewan. More specifically, the Agency supports the Ministry of Health's goal to develop a highly skilled, professional and diverse workforce for Saskatchewan's health care system, as defined in the Ministry of Health's Plan for 2012-13.

A Message from the CEO

The past fiscal year has been one that focused on partnerships and collaboration. While the Agency was successful at meeting some of its targets and goals over the past year, much work remains.

You can read more in this annual report about how, not long after it began operations, the Agency was successful in working with the University of Saskatchewan's (U of S) College of Medicine to ensure local medical graduates were exposed to practices outside of major centres. saskdocs support's and assists the College in the continual development of the Distributed Education Model that offers residency programs not only in Saskatoon, but also in Regina, Swift Current, Prince Albert and La Ronge. You will also read more about how we have contributed to a very important goal for the province; increasing the total number of physicians practicing in the province. This continues to be an important goal as the need for physicians will continually increase as our population grows.

While we made progress in those areas over the past year, more work needs to be done on retention. We have learned since 2010 that recruiting a physician to the province, or a particular health region or community is one thing, retaining them is another. That is why collaboration and commitment from a number of

stakeholders is required. The Agency has been working with regional health authorities (RHAs), communities, municipal leaders, health care professionals, regulators and educators on finding best practices to use co-operatively so we can reduce physician turn over and keep more of the doctors we recruit.

The end of the 2012-13 also marks the end of the Agency's first strategic plan. I would like to personally thank members of the Agency's first Board of Directors for their dedication and commitment on developing the plan. A major highlight for the Agency's operations over the past year was the Board developing a new strategic plan that will assist the Agency in finding the physicians Saskatchewan needs to 2016 and beyond.

Ed Mantler
Chief Executive Officer

Governance

The Physician Recruitment Agency of Saskatchewan is governed by a ten member Board of Directors. While the efforts of the Board collectively oversee physician recruitment and retention efforts, individual members bring unique perspectives to board governance as they each represent a unique stakeholder.

During the 2012-13 fiscal year, three Board members' terms expired. Those Board members whose terms expired include Dr. Femi Olatunbosun (University of Saskatchewan, College of Medicine) Roland Zimmer (Saskatchewan Urban Municipalities Association – SUMA), and Darryl Senecal (Saskatchewan Association of Rural Municipalities – SARM). Replacing these three board members are Doug Steele (SARM), Mike Strachan (SUMA) and Dr. Tom Smith-Windsor (University of Saskatchewan, College of Medicine).

The names of each individual Board member are listed below indicating the interest group they represent. The numbers in parentheses beside each Board members' name represent the number of Board meetings each member attended in the 2012-13 fiscal year. A total of four Board meetings were held during the period in review.

Mr. Max Hendricks, Associate Deputy Minister
Representing: Ministry of Health
Position on Board: Chair (4)

Mr. David Fan, CEO Prairie North Regional Health Authority
Representing: Regional Health Authorities
Position on Board: Vice Chair (3)

Mr. Rupen Pandya, Assistant Deputy Minister
Representing: Ministry of the Economy
Position on Board: Director (4)

Mr. Doug Steele: Director, Division 3
Representing: Saskatchewan Association of Rural Municipalities (SARM)
Position on Board: Director (0)
Appointed March 27, 2013

PRAS 2013, Board Members (l to r): Rupen Pandya, Nicole Longmuir, Mike Strachan, Tom Smith-Windsor, Vino Padayachee, Max Hendricks (Chair), Doug Steele, Jay Meyer, Sanchit Bhasin, David Fan (Vice Chair).

Mr. Mike Strachan: Mayor of Torquay
Representing: Saskatchewan Urban Municipalities Association (SUMA)
Position on Board: Director (0)
Appointed March 27, 2013

Dr. Tom Smith-Windsor: Associate Dean
Representing: College of Medicine, University of Saskatchewan
Position on Board: Director (0)
Appointed March 27, 2013

Dr. Vino Padayachee: CEO
Representing: Saskatchewan Medical Association
Position on Board: Director (4)

Mr. Jay Meyer
Representing: Public
Position on Board: Director (3)

Dr. Sanchit Bhasin
Representing: Professional Association of Internes and Residents of Saskatchewan (PAIRS)
Position on Board: Director (4)

Ms. Nicole Longmuir
Representing: Student Medical Society of Saskatchewan (SMSS)
Position on Board: Director (4)

During the later stages of the 2012-13 fiscal year, the Board of Directors developed a new strategic plan using *Hoshin Kanri* (LEAN methodology). The new plan will help the Agency meet Saskatchewan's physician requirements to 2016 and beyond.

Agency Overview

In 2009, the Ministry of Health announced a physician recruitment strategy for the province of Saskatchewan. Part of that strategy was a recommendation to create a "one stop shop" for physicians wanting to work in Saskatchewan. The result was the establishment of the Physician Recruitment Agency of Saskatchewan in 2010. Since that time the Agency has made progress in establishing itself in provincial, national and international circles. Its success at becoming a key player in the physician recruitment arena will help the Agency and its partners achieve the goals and objectives laid out in its strategic plan, which include four broad strategic objectives:

- To create and deliver programs and services to enhance recruitment and retention of physicians throughout the Saskatchewan health care system;
- To engage organizations and communities in a collaborative network that optimizes the recruitment and retention of physicians;
- To develop, recommend and promote policies and practices that are conducive to the recruitment and retention of physicians; and
- To communicate openly and effectively with the public.

A number of initiatives by the Agency and in collaboration with key partners, will help the province meet physician recruitment and retention demands. In order to measure the Agency's success its Board of Directors created and approved the following goals for the Agency to achieve by fiscal year end 2013:[1]

1. Reduce the annual turnover rate of physicians to under 8 per cent (revised July 2011);
2. Increase the number of Canadian trained physicians by 10 per cent from the 2007-08 baseline;
3. Increase the number of University of Saskatchewan medical graduates establishing practices in Saskatchewan by 10 per cent from the 2006-07 baseline;
4. Increase the number of University of Saskatchewan medical students exposed to training opportunities within Saskatchewan, but outside of Saskatoon by 25 per cent from the 2006-07 baseline;
5. To increase the number of practicing physicians in Saskatchewan by 4 per cent.

[1] The fiscal year end for the Agency conforms to Government's fiscal year end, which was March 31, 2013.

Progress in 2012 - 13

The end of fiscal year 2012-13 (March 31, 2013) marked the end of the Agency's first strategic plan.

The following five sections outline the progress we have made toward reaching each of our goals.

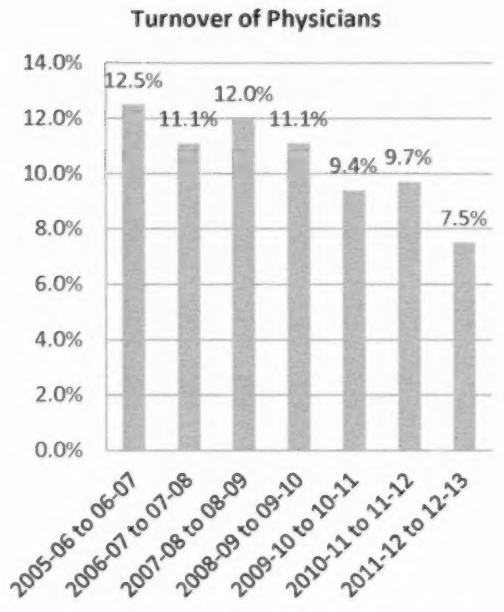
Goal #1:

To reduce annual physician turnover to less than 8 per cent.

Key Actions & Results

Since becoming operational in 2010, the Agency reduced physician turnover to less than 8 per cent. The actual turnover rate for the period in review was 7.5%. (Figure 1) This is a huge accomplishment since many physicians say heavy case loads and burn out are common reasons for high turnover rates. Continuing to keep these rates low remains a challenge. One of the major reasons behind physician turnover is work life balance. Feedback the Agency receives from doctors who have left the province indicates that professional demands in underserviced areas are too heavy to maintain their professional practice. "Work-life balance" means reasonable work hours, flexibility in a sustainable practice structured in a manner that provides peer support and reasonable call schedules. Decreasing the workload and improving work-life balance will take years as we continue to reduce the number of physician vacancies and increase retention rates.

Figure 1



Source: Saskatchewan Ministry of Health (2013). Medical Services Branch Annual Statistical report, Table 18.

Goal #2:

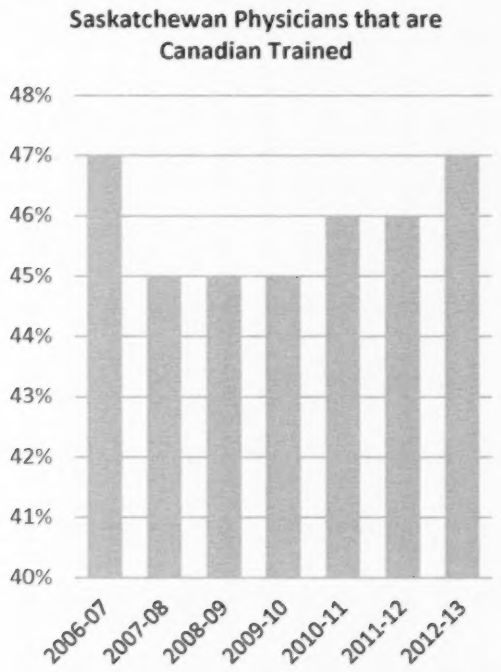
To increase the percentage of Canadian trained doctors in Saskatchewan by 10 per cent from the 2007-08 baseline.

Key Actions & Results

The Agency's first strategic plan set an ambitious goal of increasing the percentage of Canadian trained physicians in Saskatchewan to 50% from the 2007-08 baseline of 40%. The Agency came very close to achieving that goal – 47% (Figure 2).

While the Agency was unable to reach this goal, it remains confident that this percentage will gradually climb over time as recruiters engage regularly with a number of medical trainees and residents at the University of Saskatchewan's College of Medicine.

Figure 2



Source: Saskatchewan Ministry of Health (2013). Medical Services Branch Annual Statistical report, Table 22.

Goal #3:

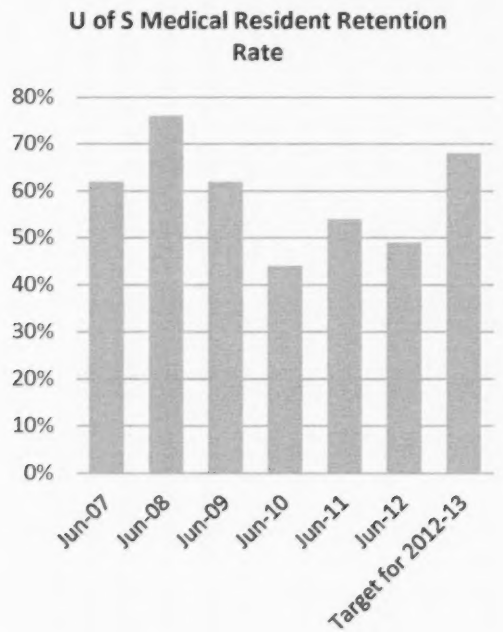
To increase the number of University of Saskatchewan (U of S) medical graduates establishing a practice in Saskatchewan by 10% from the 2006-07 baseline.

Key Actions & Results

Recruiting and retaining our own medical graduates (U of S) remains our top priority. While the Agency has been engaging this group of individuals on a regular basis it continues to be a challenge to meet this goal. The targeted retention rate of 68% remains. Retention statistics of the 2013 graduating class will not be available until late in 2013, so we will not know how close we came to achieving this goal until the data is available. Since the Agency began working toward this goal the retention rate has remained between 40-55%.

When the U of S medical school year ends (June of each year) and graduates begin work we will have data available to report our final progress toward this goal.

Figure 3



Goal #4:

To increase medical learners and resident exposure to opportunities outside of Saskatoon by 25%.

Key Actions & Results

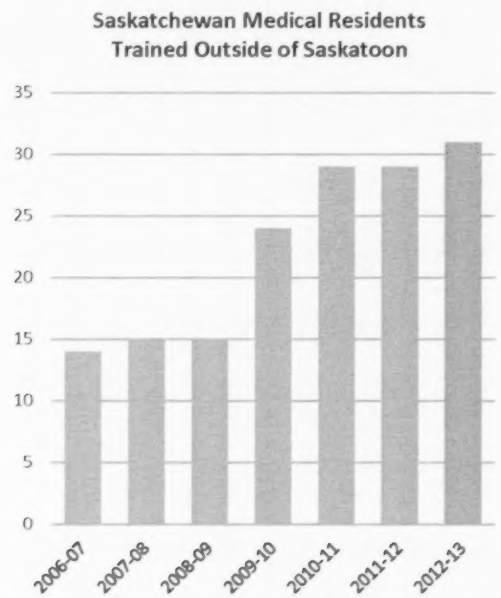
Over the past fiscal year the Agency has made progress in the area of exposing medical learners and residents to practice opportunities outside of Saskatoon, the province's largest centre.

It has done this through: extensive

engagement with medical learners at the U of S from their first year in medical school onward; meeting individually and collectively with this group of medical residents in all specialties, and recent medical graduates who are considering where to set up their practice.

This goal was met in its first year of operations. Residency exposure to practices outside Saskatoon increased to 31 seats, compared to 14 in the 2006-2007 baseline.

Figure 4



Source: 2013 CaRMS Match Results (Second Iteration)

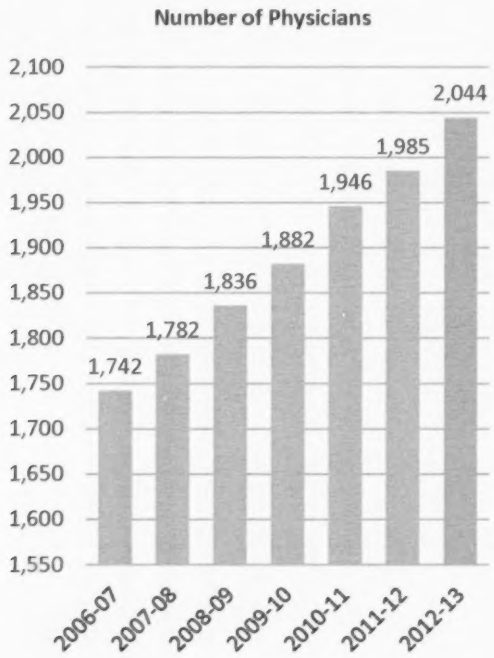
Goal #5:

To increase the number of practicing physicians in Saskatchewan by 4 per cent/year from 1,882 in 2010.

Key Actions & Results

Added in July 2011, the fifth goal of increasing the number of practicing physicians in Saskatchewan by 4 per cent from 1,882 in 2010 was an ambitious one. Despite the difficulty in doing so, the Agency directly recruited, or helped recruit hundreds of doctors to the province during the period in review. The number of doctors directly recruited enhanced the total number now practicing in Saskatchewan, which currently stands at 2,044. This total number is slightly below the goal of 2,064 by the end of the reporting period, but it represents the greatest amount of doctors ever practicing in Saskatchewan at one time.

Figure 5



Source: Saskatchewan Ministry of Health (2013)

Progress in 2012 – 13

Our Strategies

Strategy – Create and deliver programs and services to enhance recruitment and retention of physicians throughout the Saskatchewan healthcare system.

Key Actions & Results

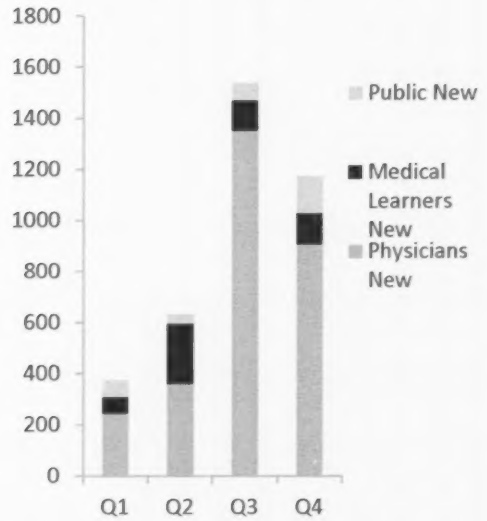
The Agency made contact with more than 2,800 new physicians in 2012-13 resulting in more physicians practicing in the province. This total number is in addition to contacts the Agency has been collecting since it began operations.

In addition to making contact with these physicians, the Agency also engaged with medical learners at the U of S and abroad to encourage them to stay and practice in Saskatchewan after graduation.

Figure 6 illustrates our activity in this area, broken down by fiscal quarter.

Figure 6

New Contacts – 2012-13



Agency staff collected these contacts through attendance of numerous professional career fairs, medical learner events, and recruitment missions both in-province and out-of-country.

The recruitment and retention of our own medical graduates continues to be our top priority. Recruitment staff have made a number of efforts to make contact with medical learners at the U of S and at select international universities to tell them more about the opportunities available here in Saskatchewan.

Some key activities are highlighted below:

- Hosting medical resident welcome events in Prince Albert, Regina, Saskatoon and Swift Current;
- Supporting and collaborating with U of S Family Medicine Residents to host two provincial career fairs in June and November;
- Supporting the U of S College of Medicine in hosting a Resident Appreciation Evening February 9, 2013 at the Western Development Museum in Saskatoon;
- Attending and presenting at numerous Academic Half Day Sessions to inform medical residents of the opportunities in our province;
- Sponsoring 18 medical student and resident recruitment or professional development events, which included Resident Retreats, the Inter-professional Annual Student's Symposium (I-PASS) and Resident Wellness Week;

- Meeting regularly with the Student Medical Society of Saskatchewan (SMSS) and the Professional Association of Internes and Residents of Saskatchewan (PAIRS)
- Administering the rural externship program (commonly referred to as PREP);
- Administering the Student Loan Interest Relief Program for eligible Medical Residents in the province of Saskatchewan.

While the Agency continued to engage medical learners here in Saskatchewan, it also did so out of country. Acceptance into Canadian medical schools is highly competitive. The Association of Faculties of Medicine of Canada estimates that only one out of every four qualified applicants is accepted. Many highly qualified candidates choose to pursue their medical education outside of Canada. Today approximately 80 schools in almost 30 countries have Canadian students enrolled in medicine – Canadians Studying Abroad (CSAs). Approximately 3,500 Canadians are studying medicine in other countries with the majority of them studying in the Caribbean and Ireland.

Almost 90% of CSAs want to return to Canada following graduation, according to Canadian Resident Matching Service (CaRMS) statistics, but almost none do. These students often talk about the many challenges that impede them from arranging Canadian clinical rotations during their undergraduate education and the subsequent attempts to obtain Canadian residency training.

Saskatchewan has an overwhelming need for family physicians, particularly in rural areas. Studies suggest that individuals born and raised in Saskatchewan who complete post graduate residencies in the province are more likely to practice in Saskatchewan following their medical training. Furthermore, it is evident that CSAs tend to have a greater propensity toward family medicine and primary health care than their Canadian trained counterparts.

In 2011 the Agency initiated a program with the U of S that would improve the likelihood of CSAs matching to post graduate residencies in Saskatchewan and subsequently practicing in the province. The Agency, Ministry and U of S College of Medicine officials met with the Deans of four medical schools in the Caribbean and six medical schools in Ireland to begin a pilot project that would allow seven CSAs to complete their third and fourth years of undergraduate medical education in Saskatchewan, integrated with the U of S College of Medicine students.

In the 2012-13 fiscal year, six CSAs entered the pilot project. In addition, 60 Saskatchewan CSAs completed clinical elective rotations in the province. As a result, 15 of those CSAs matched to post-graduate residencies in Saskatchewan to begin in July 2013. The total CaRMS match results for 2013 include:

- *73 Canadian Medical Graduates (CMGs) including U of S Graduates
  44* U of S Grads
  18 matched to Family Medicine
- 47 International Medical Graduates (IMGs), 36 CSAs
  24 Matched Family Medicine

Includes networked and sponsored positions in dermatology and plastic surgery.*

*(Source: Canadian Resident Matching Service – CaRMS – 2013 2nd Iteration results)

The Agency continued its presence over the past fiscal year by attending key international recruitment fairs in the United Kingdom, Ireland and United States. Collaboration to further enhance Saskatchewan as a destination to live, work and play was pivotal to the success of the British Medical Journal (BMJ) career fair in London. The Agency worked closely to develop, plan and implement a marketing campaign with its counterparts in British Columbia and Alberta so that a western Canadian presence was prevalent throughout the fair. The collaboration was deemed a success and will continue in 2013.

The Agency enhanced its international recruitment efforts by engaging with physicians and university officials in India in November 2012. The mission was successful as the Agency met with 440 physicians, who practiced in large, urban centres, who are interested in practicing medicine in Saskatchewan. The Agency also established connections with university, medical college, government and immigration officials in India.

An opportunity to expand recruitment efforts was presented to us by the expansion of the Saskatchewan International Physician Practice Assessment (SIPPA). The program, in 2012, made it possible for a physician from anywhere in the world to apply for licensure to practice medicine in Saskatchewan. The program has three intakes (January, May, and September) and since the program expanded it has become increasingly more popular among International Medical Graduates (IMGs) who are currently residing in Saskatchewan and other parts of Canada. Because of its increasing popularity, the Agency set up information sessions in three major Canadian cities in March to let other IMGs know about SIPPA and its requirements. Through the free sessions, the Agency made contact with more than 200 IMGs living in or around Calgary, Toronto and Vancouver to tell them more about SIPPA and the opportunities available to them in Saskatchewan.

Since SIPPA expanded, there are many more doctors practicing in the province. Many of the new, successful graduates come from countries such as Egypt, Nigeria, Iran and Iraq. The Agency will continue to pre-screen IMGs for the program, which helps streamline the number of applications to the program. Agency staff also played an important role in working with the RHAs to help settle the new IMGs as they begin to arrive in Saskatchewan at the beginning of each intake.

An additional component to enhanced international recruitment was the Agency's procurement of a third party recruitment firm to help it fill immediate family physician vacancies in rural communities. The firm – Global Medics-Calian – was procured in 2011 and had its contract extended in 2012-13. The extended contract resulted in full payment for 16 more physicians and four more physicians where the final payment is in progress. The extended contract expired January 31, 2013 and was not renewed.

Strategy – Engage Organizations and communities in a collaborative network that optimizes the recruitment and retention of physicians.

Key Actions & Results

The Agency continues to collaborate with key partners such as the U of S College of Medicine, RHAs, municipalities, other recruiters and medical schools to improve and enhance physician recruitment and retention efforts.
The Agency also engaged with other stakeholders through a variety of mechanisms and efforts. It shares information and is represented on various working groups, committees and professional organizations. It also liaises regularly with the following key stakeholders:

- Dean and Associate Deans, (U of S) College of Medicine
- College of Physicians and Surgeons of Saskatchewan (CPSS)
- Regional Recruiter Network
- Ministry of Health
- Council of Regional Health Authority CEOs
- Saskatchewan Medical Association (SMA)
- Canadian Association of Staff Physician Recruiters (CASPR)

In addition to liaising with the stakeholders, Agency staff also participated in both the Saskatchewan Urban Municipalities Association (SUMA) and Saskatchewan Association of Rural Municipalities (SARM) conventions and tradeshows. Both of these events gave us an opportunity to talk with municipal leaders about physician recruitment and retention challenges as well as share information about industry best practices. A direct result of our engagement with this particular leadership community is the Agency presenting to an increasing number of communities, volunteer recruitment committees and municipal engagements throughout the year. The Agency anticipates even more of these engagements throughout 2013-14.

Strategy – Develop, recommend and promote policies and practices that are conducive to the recruitment and retention of physicians.

Key Actions & Results

The Agency has completed draft copies of recruitment and retention handbooks for key partners that will assist them in their individual recruitment and retention efforts.

Through extensive consultation, feedback and support Agency staff have drafted and edited handbooks that will assist both RHAs and communities with their recruitment and retention efforts.

The handbooks define established best practices in relation to physician recruitment and retention. The handbooks provide a consistent methodology and a compilation of local, national and international best practices to guide RHAs and communities to recruit and retain doctors. Versions of the handbook were drafted and edited throughout the 2012-13 fiscal year and will be available for broader distribution in the following year.

Also available for distribution is a compilation of data and information from *Medical Practice in Saskatchewan: Factors in Physician Recruitment and Retention*. This study is similar to one commissioned by the U of S College of Medicine in 1976, but new data (obtained throughout 2011-12 by 30 medical students and residents in over 100 communities) is much more inclusive. The findings of the publication provide: data to facilitate choices made by medical graduates; assistance to physician

recruiters; and, inform the discussion among planners, researchers and decision makers.

Copies of the new study were shared with key stakeholders over the past year. Additional copies are available by contacting the Agency directly.

Work within this strategic direction also included the continuation of Physician Surveys. The surveys, which began in 2012 in partnership with the SMA, poll practicing physicians, medical residents and medical learners currently enrolled at the U of S College of Medicine to get a better understanding of their needs and expectations.

Surveys that focused on new physician settlement and those specifically related to medical trainees continued throughout 2012-13, with new data available during the next reporting period.

Strategy – Communicating Openly and effectively with the Public.

Key Actions & Results

The Agency made substantial progress in maintaining its brand and general awareness during the 2012-13 fiscal year. However, profiling the Agency continues to be a challenge and will be addressed in the following year.

The Agency communicated with its stakeholders and the general public through a variety of mechanisms such as media interviews, newsletters, engaging contacts at career fairs and using social media.

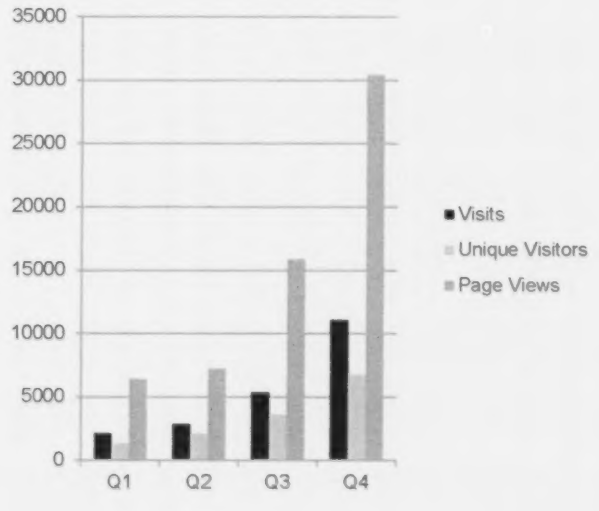
Analytical reports from Social Media platforms show encouraging results in this area. Through its Facebook account, the Agency gradually increased its awareness by encouraging people to "Like" us or create a story about us. Facebook data shows the average number of stories created about the Agency grew from 345 at the beginning of the fiscal year to more than 800 one year later.

Newsletter distribution analytics also show encouraging results. Membership to the electronic newsletter distribution list grew from just over 1,000 at the beginning of the fiscal year to more than 5,800 at the end. It is expected that continued promotion of the Agency and its activities will allow the distribution list to grow in the future.

All media and public reporting activity is tailored to drive people to the saskdocs website (www.saskdocs.ca). A yearly summary of data from our website (Figure 7) also shows growth from only a few thousand people viewing our page in the first quarter of the fiscal year to more than 30,000 at the end of the reporting period.

Figure 7

saskdocs' Website Activity 2012-13



Management Report

The accompanying financial statements are the responsibility of management and have been approved in principle by the Physician Recruitment Agency of Saskatchewan's Board of Directors. The financial statements have been prepared in accordance with Canadian public sector accounting standards and, of necessity, include some amounts that are based on estimates and judgments. The financial information presented in the Financial Summary and elsewhere in this report is consistent with that in the financial statements.

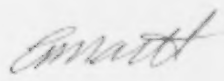
Management maintains an appropriate system of internal control, including policies and procedures, which provide reasonable assurances that the Agency's assets are safeguarded and that financial records are relevant and reliable.

The Board of Directors carries out its responsibility for the financial statements and for overseeing management's financial reporting responsibilities by meeting with management to discuss and review financial matters. The Provincial Auditor of Saskatchewan has full and open access to the Board of Directors.

The Provincial Auditor of Saskatchewan conducts an independent audit of the financial statements. Her examination is conducted in accordance with Canadian generally accepted auditing standards and includes tests and other procedures which allow her to report on the fairness of the financial statements. The Auditor's Report outlines the scope of her audit and opinion.

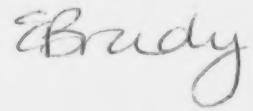
On behalf of management,

Edward Mantler



Chief Executive Officer

Erin Brady



Director, Corporate Operations

July 24, 2013

PHYSICIAN RECRUITMENT AGENCY OF SASKATCHEWAN
FINANCIAL STATEMENTS
For the year ended March 31, 2013

PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Physician Recruitment Agency of Saskatchewan, which comprise the statement of financial position as at March 31, 2013, and the statement of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Physician Recruitment Agency of Saskatchewan as at March 31, 2013, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan
July 19, 2013

Bonnie Lysyk, MBA, CA
Provincial Auditor

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Statement 1

Physician Recruitment Agency of Saskatchewan
Statement of Financial Position
As at March 31

	2013	2012
Financial Assets		
Due from the General Revenue Fund (Note 3)	$ 2,619,570	$ 3,318,249
Accounts Receivable	347,199	12,811
	2,966,769	3,331,060
Liabilities		
Accounts Payable	158,338	126,652
Accrued Liabilities	34,388	26,708
	192,726	153,360
Net Financial Assets	2,774,043	3,177,700
Non-Financial Assets		
Tangible Capital Assets (Note 4)	165,727	99,298
Prepaid expenses (Note 5)	48,123	22,334
	213,850	121,632
Accumulated Surplus (Statement 2)	$ 2,987,893	$ 3,299,332

(See accompanying notes)

Statement 2

Physician Recruitment Agency of Saskatchewan
Statement of Operations and Accumulated Surplus
For the year ended March 31

	2013 (Budget) (Note 8)	2013	2012
Revenue			
Grant Revenue - General Revenue Fund	$ 1,500,000	$ 1,500,000	$ 1,500,000
Interest Revenue	36,000	34,814	38,332
Miscellaneous Revenue	5000	2,636	6,765
Reimbursement: Medical Resident Interest Program	-	339,360	-
	1,541,000	1,876,810	1,545,097
Expenses			
Salary, Benefits and Education	978,196	923,510	837,079
Administration	260,260	206,639	194,134
Board Meetings	13,340	11,716	6,441
Program	406,340	404,374	327,124
Communications	143,200	128,469	156,959
Private Recruiting Agency	565,400	154,000	319,000
Amortization	3,000	20,181	8,023
Medical Resident Interest Program	-	339,360	-
	2,369,736	2,188,249	1,848,760
Net (Deficit)	$ (828,736)	(311,439)	(303,663)
Accumulated Surplus, beginning of year		3,299,332	3,602,995
Accumulated Surplus, end of year		$ 2,987,893	$ 3,299,332

(See accompanying notes)

Statement 3

Physician Recruitment Agency of Saskatchewan
Statement of Change in Net Financial Assets
For the year ended March 31

	2013	2012
Net (Deficit)	$ (311,439)	$ (303,663)
Acquisition of Tangible Capital Assets	(86,610)	(105,093)
Amortization of Tangible Capital Assets	20,181	8,023
Change in prepaid expenses	(25,789)	42,697
(Decrease) in Net Financial Assets	(403,657)	(358,036)
Net Financial Assets, beginning of year	3,177,700	3,535,736
Net Financial Assets, end of year	$ 2,774,043	$ 3,177,700

(See accompanying notes)

Statement 4

Physician Recruitment Agency of Saskatchewan
Statement of Cash Flows
For the year ended March 31

	2013	2012
Cash Flows from Operating Activities:		
Net (Deficit)	$ (311,439)	$ (303,663)
Add: Non-Cash Items		
Amortization	20,181	8,023
Increase in Accounts Receivable	(334,388)	(2,864)
(Increase) Decrease in Prepaids	(25,789)	42,697
Increase in Accounts Payable and Accrued Liabilities	39,366	37,135
Net cash (used) by operating activities	(612,069)	(218,672)
Cash Flows from Capital Activities:		
Purchase of Capital Assets	(86,610)	(105,093)
(Decrease) in Due from General Revenue Fund	(698,679)	(323,765)
Due from the General Revenue Fund, beginning of year	3,318,249	3,642,014
Due from the General Revenue Fund, end of year	$ 2,619,570	$ 3,318,249

(See accompanying notes)

Physician Recruitment Agency of Saskatchewan
Notes to the Financial Statements
For the year ended March 31, 2013

1. Description of Business

The Physician Recruitment Agency of Saskatchewan (the Agency) was established as a Treasury Board Crown Corporation by Order in Council 84/2010 under the provisions of *the Crown Corporation Act, 1993* (Act).

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the Agency is classified as an other government organization. The Agency uses Canadian generally accepted accounting principles applicable to governments. The following principles are considered to be significant:

a. The Basis of Accounting
The financial statements are prepared on the accrual basis of accounting.

b. Grant Revenue
Grant Revenue recognized in the financial statements in the period in which the grants are authorized, eligibility criteria are met, and reasonable estimates of the amount can be made.

c. Expenses
Expenses represent the cost of resources consumed during the year for operations. Expenses include provision for the amortization of tangible capital assets.

d. Tangible Capital Assets
Tangible Capital Assets are recorded at cost and are amortized over their useful life. Beginning in the year the asset is placed into service, amortization is recorded on a straight line basis using the rates set out below.

Capital Asset Class and Category	Threshold	Estimated useful Life
Leasehold and occupancy improvements	$5,000	lesser of useful life or lease term/occupancy arrangement
System development (IT)	$5,000	10%
Computer hardware	$1,000	20%
Computer software	$1,000	20%
Office furniture and equipment	$1,000	10%

e. Non-financial Assets
Tangible capital and other non-financial assets are accounted for as assets if they can be used to provide services in future periods. These assets do not normally provide resources to discharge liabilities unless they are sold.

f. Measurement Uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expense during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, such adjustments are reported in earnings in the period in which they become known.

3. Due from the General Revenue Fund

The Agency's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. Earned interest is calculated and paid by the General Revenue Fund on a quarterly basis into the Agency's bank account using the Government's thirty-day borrowing rate and the Agency's average daily account balance. In 2012-13 the average interest rate was 1.09%.

4. Tangible Capital Assets

	Computer software	Furniture and equipment	System development	2013 Totals	2012 Totals
Opening cost	$1,465	$9,232	$97,035	$107,732	$2,639
Additions during the year	-	1,508	85,102	86,610	105,093
Disposals during the year	-	-	-	-	-
Closing cost	1,465	10,740	182,137	194,342	107,732
Opening accumulated amortization	586	1,041	6,807	8,434	410
Amortization during the year	293	1,074	18,814	20,181	8,024
Disposals during the year	-	-	-	-	-
Closing accumulated amortization	879	2,115	25,621	28,615	8,434
Net book value of tangible capital assets	$586	$8,625	$156,516	$165,727	$99,298

5. Prepaid Expenses

Prepaid expenses are primarily related to participation at conferences and career fairs in 2013-14.

6. Related Parties

These financial statements include routine transactions with related parties. The Agency is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. Related party transactions to March 31, 2013, include the following:

	2013	2012
Revenue		
Ministry of Health – Grant, Interest and Reimbursement	1,874,174	1,538,332
Other	-	2,150
Expenses		
Ministry of Finance – Pension and Benefits	135,058	100,775
Information Technology Office	47,818	39,237
SaskTel	15,147	13,547
Ministry of Central Services	11,055	7,427
University of Saskatchewan	-	2,291
Regina Qu'Appelle Regional Health Authority	358	-
Other	-	782

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. In addition, the Agency pays Provincial Sales Tax to the Saskatchewan Ministry of Finance on all its taxable purchases.

The Ministry of Health provides management and technical services to the Agency without charge.

7. Financial Instruments

The Agency's financial instruments include: due from the general revenue fund, accounts receivable, accounts payable, and accrued payroll liabilities. The following paragraphs disclose the significant aspects of these financial instruments.

a) Significant terms and conditions
There are no significant terms and conditions associated with the financial instruments that may affect the amount, timing, and certainty of future cash flows.

b) Interest rate risk
The Agency is exposed to interest rate risk when the value of its financial instruments fluctuates due to changes in market interest rates. The Agency does not have any long-term investments that may be affected by market pressures.

The Agency's receivables and payables are non-interest bearing.

c) Credit risk
The Agency is exposed to credit risk from potential non-payment of accounts receivable. The Agency's receivables are most often from the provincial government; therefore, the credit risk is minimal.

d) Fair Value
For the following financial instruments, the carrying amounts approximate fair value due to their immediate or short-term nature:

Accounts receivable
Accounts payable
Accrued liabilities

8. Budget Approval

The Agency's budget was considered by its Board of Directors on June 12, 2012.

9. Pension Plan

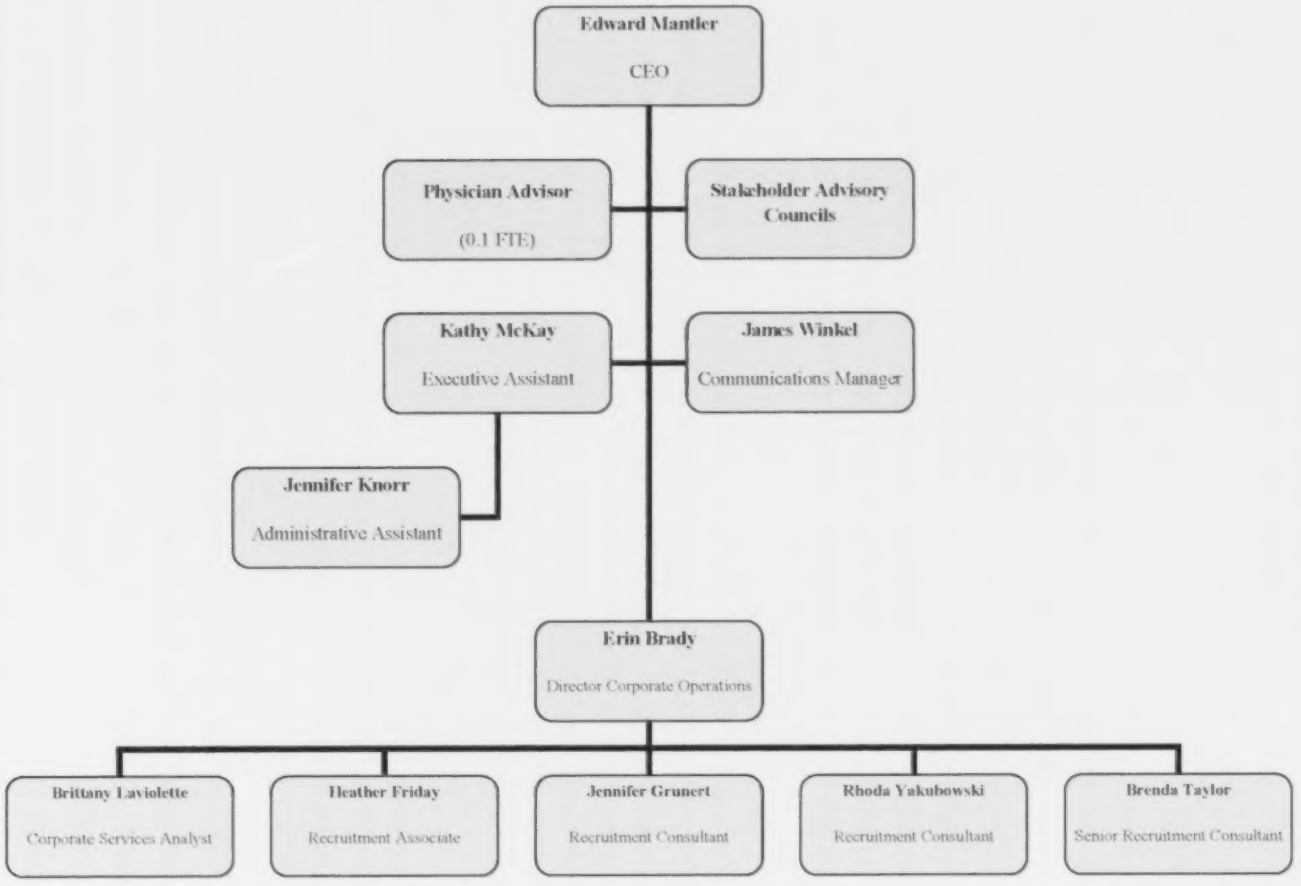
The Agency's employees participate in the Public Employees Pension Plan, a defined contribution pension plan. Members contributed 5% of salary and the employer contributed 7.25% in 2012-13 (7% in 2011-12). The Agency's contribution for this fiscal year was $52,561. The Agency's obligation relative to the pension plan is limited to making the required contributions.

10. Contractual Obligations

The Agency has a lease agreement with CSIT Consulting for office space, utilities, office furniture and parking at a monthly rate of $9,000 until October 31, 2014.

Appendix I: Physician Recruitment Agency of Saskatchewan – Organizational Chart

Organization Chart - saskdocs (June 1, 2013)



Retention and Recruitment	4.0 FTE
Communications & Engagement	1.0 FTE
Executive	2.0 FTE
Corporate and Administrative Services	3.0 FTE

For More Information

Electronic copies of the annual report are available for download from the saskdocs website (www.saskdocs.ca) or by contacting the Physician Recruitment Agency of Saskatchewan (saskdocs) directly at the address below.

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